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National Institutes of Health  
Bethesda, Maryland 20892

TO: All NIH Employees

FROM: Director, NIH

SUBJECT: Protecting the NIH Mission Through Risk Management

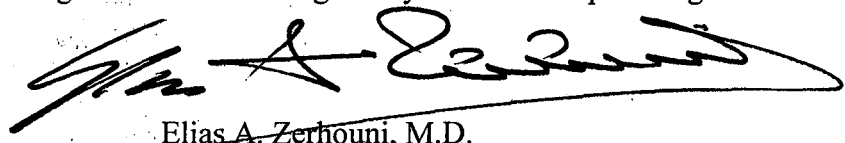
Both private and public sectors are placing growing emphasis on risk management. In the Federal Government, new OMB requirements are expanding the responsibilities for a more effective management of risks. For us at the NIH, effective risk management means enhancing our ability to ensure the overall efficiency, effectiveness, accountability, and integrity of our work. But risk management goes far beyond financial or administrative issues, it is also critical in ensuring sound science.

It is time to reinvigorate our risk management program. The NIH has already begun implementing Department guidance to meet new Government-wide requirements for ensuring the reliability of our financial statements. But NIH management has also been working on a newly enhanced program, endorsed by the Steering Committee, that is designed to identify small problems early so that they do not become obstacles to our mission. The new program will not duplicate but will complement the many evaluation and reporting procedures that are already in place, with an increased focus on management and financial accountability.

This effort will focus on preventing and mitigating risk in program and administrative areas. We have been working to assess our existing risk management activities and to develop a new risk management approach that is anchored on some basic, fundamental principles: a culture of outstanding and proactive management that challenges the status quo, a shared responsibility for developing and maintaining risk management, and an emphasis on integrating risk management into all aspects of our work.

We all must play a part in this challenge. An important first step will be an NIH-wide risk assessment to identify and prioritize risks and to develop a plan to address them. The risk assessment will begin this summer and will be supported by an outside contractor, with oversight from the Office of Management Assessment. Some of you will be asked to assist the contractor by providing data or information about the activities for which you are responsible. As additional tests and assessments take place over the coming year, many of you will be contacted to provide information.

Risk management is more than a one-time identification and correction of risks, it is an ongoing and permanent management tool. You will be hearing more in the months ahead about your ongoing role in this program. By strengthening our management of risks across all programs and activities, we can better support our scientific mission, maximize our resources, and avoid disruptions to our work. I am looking forward to working with you on this important goal.



Elias A. Zerhouni, M.D.